



## THE CITY OF SAN DIEGO CITY MANAGER'S REPORT

DATE ISSUED: June 1, 2000 REPORT NO. 00-120

ATTENTION: Land Use and Housing Committee,  
Agenda of June 7, 2000

SUBJECT: Planning and Development Review Fees

REFERENCE: Proposed Annual Budget for Fiscal Year 2001  
Planning and Development Review Department – Enterprise Fund

### SUMMARY

Issue – Should the City Council revise certain development user fees in order to maintain the current level of service, cost recoverability, and the quality of the mandated regulatory review process?

Manager's Recommendation – Approve the revised fees.

Other Recommendations – The Technical Advisory Committee (TAC), appointed by the Land Use and Housing Committee, on May 30, 2000, voted 5-0, with one abstention, to support the fee proposal in concept.

Environmental Impact – This activity is exempt from CEQA pursuant to Section 15061(b)(3) of the State CEQA guidelines.

Fiscal Impact – The 5.5% increase in revenue (\$2.M) will offset increased costs, and maintain current service levels.

### BACKGROUND

#### **What is an Enterprise Fund and how is it operated?**

The City's building permit review and inspection services are operated without tax subsidy as an Enterprise Fund. This means that the Development Review section of the department operates on a "fee-for-service" basis as many businesses do. Developers, contractors and other permit applicants pay for those services. The level of service they receive is directly related to the fees charged, and cost recovery must be maintained. In addition, State law requires that the fees charged "shall not exceed the estimated reasonable cost of providing the service" (California Government Code Section 66014).

The Building Inspection Enterprise Fund<sup>1</sup> was created in 1985. All development and inspection related activities have now been included in the fund.

### **What is being proposed?**

A comprehensive review of building permit fees has been performed to determine what fees should be increased, decreased or left unchanged. The Enterprise Fund expenditures total approximately \$38.0 million and the net increase in revenues proposed is 5.5 percent of the fund expenditure total. The fees are proposed to support the following goals:

1. **Provide service levels that meet customer expectations.** Customer service standards have been established since the inception of the Enterprise Fund. These standards are important in keeping construction costs to a minimum. Fees support the “next day inspection” service level expected by the industry. Construction delays in the inspection process can quickly increase costs that are many times more than the cost of the inspection. Building permit plan review times have been set at various levels to meet customer expectations. Delays in this level of service can increase time-sensitive financing or other land carrying costs.
2. **Provide quality plan review and inspection services as mandated by State and Local law.** Staffing, resources, and training will be provided as needed to meet the department’s mission to protect the public safety, health, and welfare.
3. **Reduce fees where the department’s costs have been reduced due to efficiencies or other factors.** Fees can be reduced when regulations are reduced or repealed, productivity improvements or innovation provides lower costs, or cost apportionment methods indicate that fees can be decreased and still maintain cost recovery in this area.
4. **Increase fees where the department’s costs have increased and costs are not being recovered.** Costs increase due to labor (pay) increases, when regulation and workload is increased, or when the cost apportionment study shows this area of service is under apportioned (i.e. an area of activity is not recovering its cost to the department).

Therefore, decreases have been proposed where savings have been realized. Increases have been kept to the minimum necessary to maintain service levels and provide a quality of review and inspection that protects the public safety.

### **When were these fees last reviewed comprehensively? How has the department controlled its costs since that time?**

The last comprehensive fee analysis for the department was performed in fiscal year 1992. In addition, the Council approved a one-time five percent “system improvement” fee in 1995 which ended in 1998. This one-time charge provided resources to implement computer system improvements that have enabled the city to reduce labor costs in the plan review process as noted in this report.

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<sup>1</sup> Currently named the “Planning and Development Review Enterprise Fund.”

The City's administrative regulations provide for an annual review of each department's services to determine if new or revised fees are appropriate, and set forth the procedure for Council authorization of new or revised fees. If approved by Council, the effective date for new fees will be no sooner than sixty days after the Council action, according to California State Code. The department has been able to manage within the means provided by the revenues generated from the last fee adoption in 1992 up to fiscal year 2000. The following improvements were implemented, resulting in overall savings to the department, which helped balance our increased labor costs over the years.

- **Reorganization of development related programs administered by eight different departments into a single Planning and Development Review Department.** These programs were placed in a fee-for-service fund and the general fund subsidy for those services was eliminated. This saved the General Fund an estimated cumulative total of \$9.0 million dollars since 1996. This is an average annual savings of \$1.8 million.

**Addition of Development Project Managers that act as a single point of contact for improving customer service for all discretionary projects.** Development Project Managers improve the timeliness, predictability, and coordination of the development review process. They manage the development review process from pre-application to final approval.

- **Automation Improvements**  
More than four hundred eighty desktop computers have been installed on a local area network in the department. This has improved staff work quality, communications, and productivity. A geographic information system, "Cabrillo," has been developed and installed. Cabrillo includes 50 completed data layers such as the coastal overlay zone, flight activity zones, geologic hazard zones, and other information that is now available on each desktop computer. The department's web page currently receives more than 20,000 "hits" per month. The web page, [www.ci.sandiego.ca.us/development-services/](http://www.ci.sandiego.ca.us/development-services/), provides application forms, access to the entire text of the land development code, zoning information services by e-mail, and up-to-date plan check status for all building permit applicants. These systems help reduce the labor hours required to perform tasks, and they provide better service to the customer.
- In addition to those mentioned above, an Interactive Voice Response (IVR) system has been installed for the automated scheduling of construction inspections. Sixty-five percent of the 180,000 inspections provided annually by the department are scheduled by using this touch-tone phone automated system. This further reduces the department's personnel costs for this service.

### **Why is a fee increase needed now?**

A fee increase is needed because the productivity improvements noted above have now been overtaken by the increase in labor costs and materials during the past few years. Since 1993, an improved local economy has resulted in higher salaries for workers in the San Diego region including salaries for City of San Diego employees. Personnel costs have increased approximately 27% during this time in both the public and private sector. Additionally, increased cost for supplies, contractual services, and equipment have inflated 16% since 1993, matching the Consumer Price Index (CPI).

In Fiscal Year 2000 it became necessary for the department to begin to draw down reserve funds in order to maintain service levels. A comprehensive fee study was initiated this same year as prescribed by City policy. The result of that study, and the necessary fee adjustments, are contained in this report.

Enterprise Fund unobligated reserve funds will be reduced to a projected \$400,000 at the end of Fiscal Year 2000. Given the size of the budget (\$38 million) and the volatile relationship between this fund's activity level and the economy, a target reserve of one month's operating revenues of \$3.2 million as an unobligated reserve fund is recommended as ideal. However, the department has proposed a modest fee increase that would produce an estimated fund balance reserve of \$700,000. A fund balance below \$700,000 is not recommended because the enterprise fund should operate within its means, and should not borrow funds for operating expenses (to do so would be an extremely poor financial practice and could affect the city's credit rating). The impact of scheduled labor cost increases on the fund balance has been included in the FY 2001 proposed budget. Further scheduled increases in labor costs for FY 2002 will add an estimated \$1.5 million in expenditures that year. The department will continue to seek efficiencies and savings wherever possible in order to balance this additional cost. The status of the fund balance, service levels, and further fee adjustments will be evaluated at that time as prescribed by the Council policy.

### **DISCUSSION**

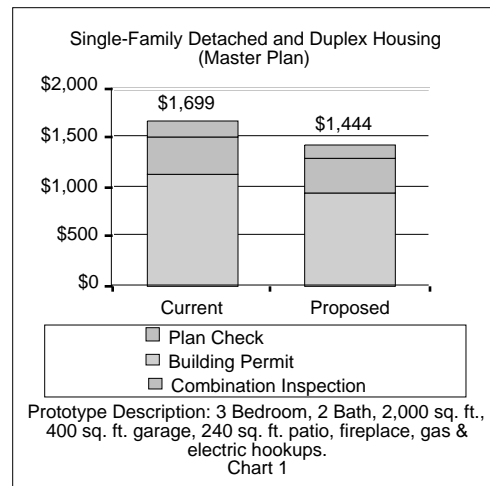
Fees were reviewed and the department level of cost-recoverability was determined in order to develop a fee proposal in conjunction with the budget for fiscal year 2001. Based upon this analysis, both fee increases and decreases are being proposed. Approval of this proposal will result in fees that reflect the cost of the service. The following are typical examples of projects that would be impacted by the fee proposal.<sup>2</sup>

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<sup>2</sup> The prototype projects utilized to illustrate costs in this report are based upon the models used in an industry survey of fees, reference the "San Diego County Building Industry Association (BIA) 1999-2000 Fee Survey."

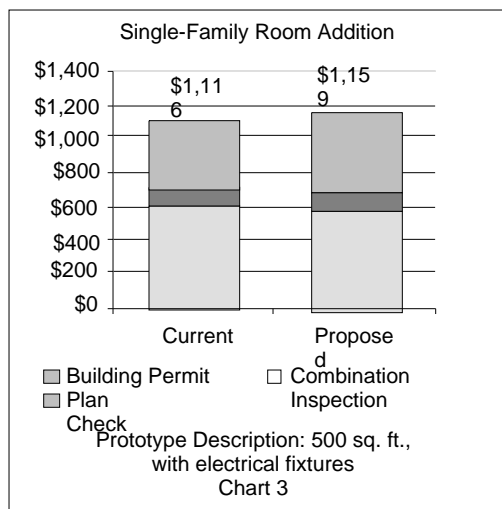
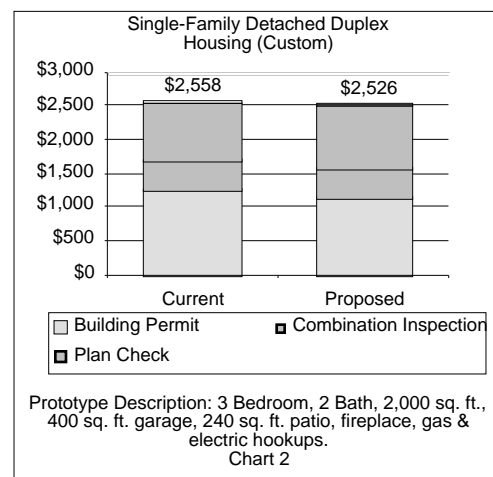
## Single-Family Detached and Duplex Master Plan Housing

A net reduction in building plan check and inspection fees for new single-family Master Plan tract homes is proposed. This further decreases fees for this project type to one of the lowest in the San Diego region. For a typical three-bedroom, two-bath home the plan check and inspection fees would be reduced by a total of 15% (See Chart 1). These projects represent approximately 84% of the estimated new single-family homes permitted by the City of San Diego annually



## Single-Family Detached and Duplex Custom Housing

This type of housing accounts for approximately 16% of the new single-family detached and duplex housing permitted in the City of San Diego. It is proposed for this type of housing that plan check fees be increased, while building permit, and combination inspection fees be reduced. On average, there would be a minor reduction in fees of \$32 for this type of housing (See Chart 2).

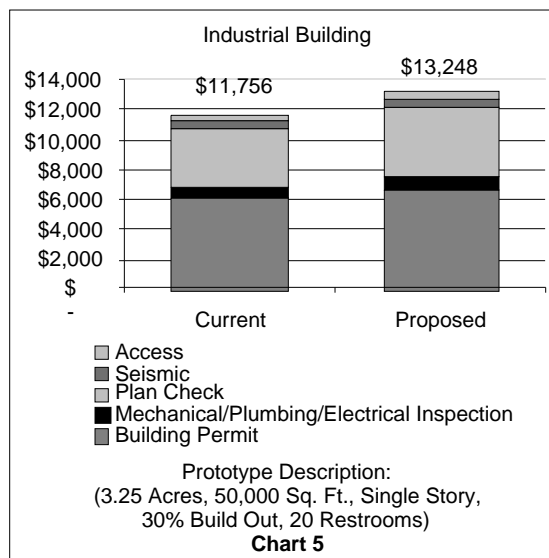
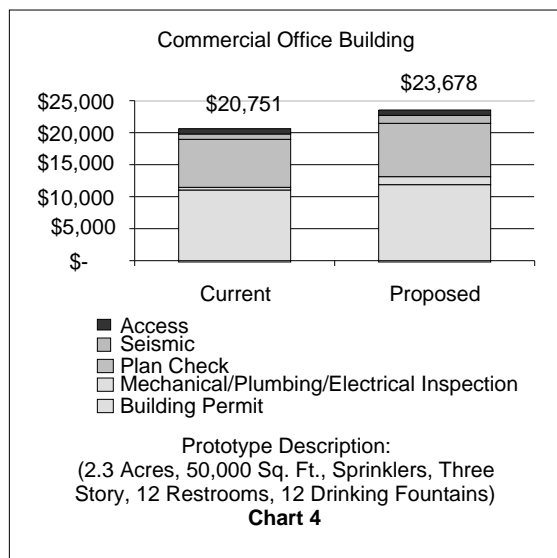


## Single-Family Detached and Duplex Housing Additions and Alterations

For this type of development the total permit fees will be slightly increased. For a typical room addition as shown in Chart 3 the net fee increase would be \$43 or 3.8%.

## Commercial and Industrial Buildings

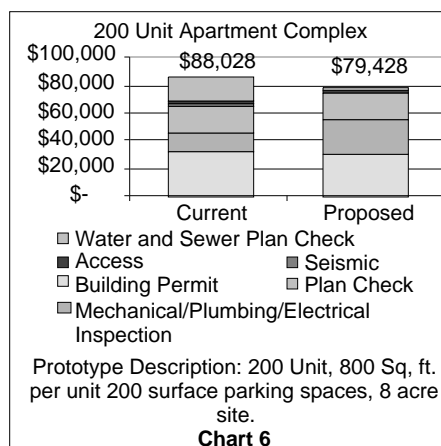
It is proposed that plan check and inspection fees be increased for commercial and industrial buildings. Increases range from 12.7% to 14.1 %, depending on project type, and maintain the cost-recoverability for plan check and inspection services provided to these types of structures. The more extensive applicable building code requirements, which include compliance with the disabled access and energy code requirements of Title 24, necessitate more intensive plan check review and building inspection (See Charts 4 and 5).



## Building Water and Sewer Plan Check

This fee would be restructured from the current 2% surcharge on the calculated water and sewer capacity charges for equivalent dwelling units (EDU's) per building structure to a flat fee of either \$100 or \$200 based on the size of the water and sewer capacity system. A new \$100 flat fee for plan check of reclaimed water systems is proposed where no fee previously existed. Additionally, a new minor fee of \$50 is proposed for various water and sewer related plan check reviews that are not currently charged, such as backflow devices and irrigation meters. This fee is currently charged only at the time the building structure is newly built and subsequent water and sewer plan check for remodels and tenant improvements are reviewed at no charge for the life of the building. The proposal will reduce the water and sewer plan check fee at the time of the new development and implement new charges for subsequent construction. This will result in allocation of the fee to the appropriate phase of the project.

Builders of multi-family buildings will see the greatest fee reduction. The proposed reduction of water and sewer plan check fees offsets the increase needed in the plan check and inspection fees and results in a net reduction of \$8,600 or 9.8% for the project.



### Self-Certification Administrative Fee

A standard administrative fee of \$150 is proposed for future self-certification programs. The administrative fee would pay for the cost of application processing, permitting, recordation, and program oversight. Programs are also being evaluated that would allow customers the option to pay the nominal \$150 administrative fee and use qualified private firms to certify in writing that the plans meet specific regulatory standards. The department is currently finalizing expansion of the self-certification program to various engineering projects. A customer workshop has been scheduled for June 14, 2000, to discuss this proposal. When this process is utilized, the standard plan check fees would not be changed.

### Other Fees

Other fee changes are proposed to maintain overall cost-recoverability. Some changes are revenue neutral. Attachments 1 and 2 summarize the fee changes, the net revenue projected, and the proposed fee schedules in detail.

A new development permit appeal filing fee is proposed as directed by Council during the land development code adoption hearings. This fee corresponds with the appeals process associated with the new code. The department proposes a nominal fee of \$100 for an appellant who is opposed to a project, with the applicant paying for the remainder of the processing costs (see attachment number 2).

## CONCLUSION

In conclusion, the last comprehensive fee study and approved increase for these fees was completed in Fiscal Year 1992. Since that time, the department's work load, as represented by the value of construction, has increased from \$622 million in FY 1993 to \$1.89 billion in FY 2000, an increase of 205%. The department has been able to meet most of its performance measures during this time with a staff increase of 75%, not including restructuring staffing impacts. This represents a substantial productivity improvement. During this time, overall labor costs have increased by 27 percent while costs for materials and services have increased by 16 percent.

The fees proposed are necessary to maintain service levels and the fiscal health of the enterprise fund. In the alternative, the Council may choose not to adopt the proposed fees. If a no change

alternative is adopted, the department would need to cut its services, budgeted positions and expenditures accordingly.<sup>3</sup> This is not recommended because it would affect inspection and plan check review times to a level that many customers indicate is unacceptable to them. In developing this fee proposal, customers and contractors have indicated that time is of essence in the construction process. Based upon our discussions with the industry, staff believes the recommended proposal meets the customer's needs and expectations.

A copy of the notification list of interested organizations and individuals is attached (see attachment 3). The department is providing presentations and further information to these organizations as needed. This proposal will be reviewed with the Land Use and Technical Advisory Committee at its May 30, 2000 meeting. Comments received from listed, or unlisted, organizations will be forwarded to the committee.

#### ALTERNATIVE

Do not adopt the proposed fees. This is not recommended as reductions in budgeted positions, expenditures, and service levels would occur, causing delays in the construction process. Attachment 4 is a list of related service level reductions.

Respectfully submitted,

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TINA P. CHRISTIANSEN, A.I.A.  
Planning and Development Review Director

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Approved: GEORGE I. LOVELAND  
Assistant City Manager

HAASE:NAB

Attachments: 1. Proposed Fee Changes Summary  
2. Proposed New Fees  
3. Organizations Notified of the Fee Proposal  
4. FY 2001 Service Level Reduction Options

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<sup>3</sup> The reduction in budgeted positions will not necessitate a layoff of existing staff.



## **Proposed Fee Changes Summary**

### **Residential Buildings**

#### **Plan Check – Approximately 4,500 residential plans checked annually.**

Increase plan check fees for non-master planned residential dwelling units, additions and alterations, for net revenue increase of \$338,000. This check ensures proposed building designs are in compliance with applicable building code requirements.

#### **Building Permit – Approximately 4,500 residential building permits issued annually.**

Net decrease in residential Building Permit inspection fees for a revenue decrease is \$267,000 annually. This fee pays for the inspection of a building's structural components. This permit ensures that the building structure constructed is in compliance with applicable building code requirements.

#### **Mechanical, Plumbing, and Electrical (MPE) “Combination” Permit Inspections — Approximately 2,250 units are permitted annually**

Net decrease in these fees for a revenue decrease of \$216,000 annually. This inspection ensures that single family dwelling units and duplexes' mechanical, plumbing and electrical building systems are in compliance with applicable building code requirements.

### **Residential Buildings, Master Plan**

#### **Master Plan Building Permit Fee Discount – Approximately 1,600 dwelling units eligible for this discount are permitted annually.**

Enhanced Building Permit Fee discount for eligible new residential dwelling units. Establish the Building Permit Fee discount at 20% of the regular building Permit fee for an estimated revenue decrease of \$407,000. The current discount is a valuation discount of 18% based on the calculated valuation of new dwelling unit or an average of a 10% fee reduction. This discount will be applicable for similar new dwelling units that are submitted in groups of ten or dwelling structures.

#### **Master Plan Mechanical, Plumbing, and Electrical (MPE) “Combination” Permit Fee Discount – Approximately 1,600 dwelling units eligible for this discount are permitted annually.**

Enhance the MPE permit fee discount for eligible new dwelling units for a net revenue discount of \$164,000. Establish the MPE fee discount at 20%. The current discount is a valuation discount of 18% or an average of a 10% fee reduction. This discount will be applicable for similar new dwelling units that are submitted in groups of ten or more dwelling structures.

### **Commercial and Industrial Buildings**

#### **Plan Check – Approximately 5,570 reviewed annually.**

Increase the fee for a net revenue increase of \$895,000 annually. This check ensures proposed building designs are in compliance with applicable building code requirements.

#### **Building Permit – Approximately 5,570 permits issued annually.**

Increase the fees for commercial, industrial and multi-family Building Permit inspections for a net revenue increase of \$497,000. This fee pays for the inspection of a building's structural components.

#### **Mechanical, Plumbing, and Electrical (MPE) Permit Inspections – Approximately 17,500 permits issued annually.**

Increase fees for inspection of building MPE systems for net revenue increase of \$1,000,000. These permits are primarily issued for commercial, industrial and multi-family building types, however 40% of these type permits are issued for minor improvements of detached single-family or duplex homes when no building structure modifications are involved.

## **Other**

### **Water and Sewer Plan Check – Currently, approximately 500 conducted annually.**

A conversion of the plan check fee from a 2% of the fee charge, based on the calculated water and sewer capacity fee, to a flat fee of \$100 or \$200. This change will result in a net revenue increase of \$250,000. This fee funds the staff review of building plans for conformance with the Uniform Plumbing Code. Additionally, the fee funds Planning and Development Review staff work related to calculating and collecting fees that goes to the City's water and sewer fund, such as the water and sewer capacity fee, and the water meter installation fee.

### **Development Permit Plan Check — Approximately 2,200 conducted annually.**

Increases the fee for a net revenue increase of \$30,000. This review checks submitted building plans for conformity to prior approved land use development permits before a permit to commence construction is issued.

### **Preliminary Review – Approximately 75 conducted annually.**

Increases the fee for a net revenue increase of \$5,400. Preliminary review is an optional service available prior to the formal submittal of a project. City staff, including a Development Project manager and a multi-disciplinary team determines the approvals and permits required for a project, and the approximate processing costs and review timeframes, staff provide to the applicant documented key decisions for complex projects prior to submission of a project to Planning and Development Review.

### **Substantial Conformity – Approximately 80 conducted annually**

Increase the fee from the current \$500 charge for a net revenue increase of \$3,700. A Substantial Conformity Review is performed in the event a project changes scope after initial approval has been obtained by the City; these plans must substantially conform to the original plans. This procedure allows minor changes to be made without the applicant resubmitting the plans as a new project.

### **Landscape Plan Check – Approximately 350 conducted annually.**

Increase the fee for a net revenue increase of \$36,000. This review is to ensure building plans are in conformance with the City of San Diego's Landscape Ordinance.

### **Landscape Plan Recheck and Field Inspection – Approximately 14 conducted annually.**

Increase the fee from \$50 to \$75 an hour for a net revenue increase of \$700. Charged when landscape plan checks and inspections are required in excess of that provided as a regular service.

### **Supplemental Hourly Charge – Approximately 1,300 hours charged annually**

Increase in the hourly charge from \$52 to \$75 for a net revenue increase of \$29,900. Charged on an hourly basis when the number of plan checks and inspections for types of permits required are in excess of that provided as a regular service.

### **Self-Certification Administrative Fee — New fee**

A standard administrative fee of \$150 for future self-certification programs. The administrative fee will pay for the cost for application processing, permitting, recordation, and program oversight.

### **Appeal Fee – Approximately 10 projects appealed annually.**

A filing fee of \$100 for an appellant who is opposed to a project, with the applicant paying for the remainder of the processing costs. If a recognized Community Planning Group files the appeal for any reason no fee will be charged. Should the Planning Commission or City Council uphold an appeal, the \$100 filing fee will be refunded to the appellant. If the appeal is denied, the appellant's \$100 fee will be applied to the project review and processing costs.

### **Development Permit Submittal — Approximately 381 submittals annually.**

Modify this existing fee as a separate and distinct fee and to include charging this fee for application resubmittals. The existing fee is \$200 and the revenue impact is minimal. Review of application submission completeness, application documents processing including project file setup and distribution, and to reviewers of submitted plan documents.

**Environmental Initial Studies – Approximately 300 conducted annually.**

Increase the fee from \$600 to \$700 for a net revenue increase of \$30,000. This study identifies potential environmental issues that may be associated with a project and determine the level of environmental review will be required to process the permit. If a project is not exempt from environmental review, staff conducts a preliminary analysis, called an Environmental Initial Study (EIS), to determine if the project has a significant effect on the environment. The study provides staff with information to decide what type of subsequent environmental review is required.

**Environmental Negative Declarations – Approximately 60 conducted annually.**

Increase fee from \$1,200 to \$1,400 for a revenue increase of \$12,000. If after completing the Initial Study, it can be determined that there is no potential for significant impacts, staff will prepare a Negative Declaration. The Negative Declaration includes a brief description of the project and the finding that the project will not have a significant effect on the environment.

**Sign Permits – Permanent Signs – Approximately conducted annually.**

Increase the fee for a net revenue increase of \$48,000. This review ensures compliance with City of San Diego regulations for signs that are visible from the public right-of-way. The regulations provide a set of standards to optimize communication and quality of signs while protecting the public and the aesthetic character of the City.

<b>Residential Buildings Plan Check and Building Permit Fees</b>		
<b>Valuation</b>	<b>Plan Check</b>	<b>Building Permit</b>
\$1.00 to \$1,000	\$50.00	\$75.00
\$1,001 to \$5,000	\$75.00	\$125.00
\$5,001 to \$20,000	\$ 75.00 for the first \$5,000 plus \$10.00 for each additional \$1000 or fraction thereof, to and including \$20,000.	\$ 125.00 for the first \$5,000 plus \$13.00 for each additional \$1000 or fraction thereof, to and including \$20,000.
\$20,001 to \$50,000	\$ 225.00 for the first \$20,000 plus \$8.00 for each additional \$1000 or fraction thereof, to and including \$50,000.	\$ 320.00 for the first \$20,000 plus \$9.00 for each additional \$1000 or fraction thereof, to and including \$50,000.
\$50,001 to \$100,000	\$ 465.00 for the first \$50,000 plus \$4.00 for each additional \$1000 or fraction thereof, to and including \$100,000.	\$ 590.00 for the first \$50,000 plus \$6.00 for each additional \$1000 or fraction thereof, to and including \$100,000.
\$100,001 to \$500,000	\$ 665.00 for the first \$100,000 plus \$3.00 for each additional \$1000 or fraction thereof, to and including \$500,000.	\$ 890.00 for the first \$100,000 plus \$3.50 for each additional \$1000 or fraction thereof, to and including \$500,000.
\$500,001 to \$1,000,000	\$ 1,865.00 for the first \$500,000 plus \$2.50 for each additional \$1000 or fraction thereof, to and including \$1,000,000.	\$ 2,290.00 for the first \$500,000 plus \$3.50 for each additional \$1000 or fraction thereof, to and including \$1,000,000.
\$1,000,001 and up	\$ 3,115.00 for the first \$1,000,000 plus \$1.65 for each additional \$1000 or fraction thereof.	\$4,040.00 for the first \$1,000,000 plus \$2.50 for each additional \$1000 or fraction thereof.

**Residential Building Mechanical, Plumbing and Electrical “Combination”  
Inspection Fees**

<b>VALUATION</b>	<b>ELECTRICAL</b>	<b>PLUMBING/GAS</b>	<b>MECHANICAL</b>
\$1.00 to \$1,000	\$30.00	\$30.00	\$15.00
\$1,001 to \$10,000	\$40.00	\$40.00	\$20.00
\$10,001 to \$20,000	\$40.00 for the first \$10,000 plus \$2.00 for each additional \$1,000 or fraction thereof, to and including \$20,000.	\$40.00 for the first \$10,000 plus \$2.00 for each additional \$1,000 or fraction thereof, to and including \$20,000.	\$20.00 for the first \$10,000 plus \$1.00 for each additional \$1,000 or fraction thereof, to and including \$20,000.
\$20,001 to \$50,000	\$60.00 for the first \$20,000 plus \$1.20 for each additional \$1,000 or fraction thereof, to and including \$50,000.	\$60.00 for the first \$20,000 plus \$1.20 for each additional \$1,000 or fraction thereof, to and including \$50,000.	\$30.00 for the first \$20,000 plus \$0.60 for each additional \$1,000 or fraction thereof, to and including \$50,000.
\$50,001 to \$100,000	\$96.00 for the first \$50,000 plus \$0.80 for each additional \$1,000 or fraction thereof, to and including \$100,000.	\$96.00 for the first \$50,000 plus \$0.80 for each additional \$1,000 or fraction thereof, to and including \$100,000.	\$48.00 for the first \$50,000 plus \$0.40 for each additional \$1,000 or fraction thereof, to and including \$100,000.

### Commercial and Industrial Buildings Plan Check and Building Permit Fees

Valuation	Plan Check	Building Permit
\$1.00 to \$1,000	\$50.00	\$75.00
\$1,001 to \$5,000	\$100.00	\$125.00
\$5,001 to \$20,000	\$ 100.00 for the first \$5,000 plus \$12.00 for each additional \$1000 or fraction thereof, to and including \$20,000.	\$ 125.00 for the first \$5,000 plus \$13.00 for each additional \$1000 or fraction thereof, to and including \$20,000.
\$20,001 to \$50,000	\$ 280.00 for the first \$20,000 plus \$9.00 for each additional \$1000 or fraction thereof, to and including \$50,000.	\$ 320.00 for the first \$20,000 plus \$11.00 for each additional \$1000 or fraction thereof, to and including \$50,000.
\$50,001 to \$100,000	\$ 550.00 for the first \$50,000 plus \$5.00 for each additional \$1000 or fraction thereof, to and including \$100,000.	\$ 650.00 for the first \$50,000 plus \$6.00 for each additional \$1000 or fraction thereof, to and including \$100,000.
\$100,001 to \$500,000	\$ 800.00 for the first \$100,000 plus \$3.00 for each additional \$1000 or fraction thereof, to and including \$500,000.	\$ 950.00 for the first \$100,000 plus \$4.50 for each additional \$1000 or fraction thereof, to and including \$500,000.
\$500,001 to \$1,000,000	\$ 2,000.00 for the first \$500,000 plus \$2.75 for each additional \$1000 or fraction thereof, to and including \$1,000,000.	\$ 2,750.00 for the first \$500,000 plus \$4.00 for each additional \$1000 or fraction thereof, to and including \$1,000,000.
\$1,000,001 to \$10,000,000	\$ 3,375.00 for the first \$1,000,000 plus \$2.00 for each additional \$1000 or fraction thereof, to and including \$10,000,000.	\$4,750.00 for the first \$1,000,000 plus \$2.75 for each additional \$1000 or fraction thereof, to and including \$10,000,000.

## Mechanical, Plumbing/Gas, and Electrical Permit Inspection Fees

Plumbing/Gas		Mechanical	
Fee Description	Fee	Fee Description	Fee
Issuing Fee (required for each permit)	\$40.00 ea	Issuing Fee (required for each permit)	\$40.00 ea
Backflow Preventer (First 5 Devices)	\$5.00 ea	Air Handler More Than 10k CFM	\$20.00 ea
Backflow Preventer (More than 5 Devices)	\$3.00 ea	Air Handler w/ducts to 10k CFM	\$10.00 ea
Bathtub or Bidet	\$5.00 ea	Appliance Vent/ Chimney(Only)	\$15.00 ea
Building Sewer	\$15.00 ea	Boiler <500k BTU	\$35.00 ea
Drain, Waste or Vent Alterations	\$10.00 ea	Boiler >2000K BTU	\$100.00 ea
Drinking Fountain	\$5.00 ea	Boiler 500k-2000k BTU	\$50.00 ea
Floor Drain (Trench Drain etc.)	\$5.00 ea	Chiller	\$25.00 ea
Gas Svstem (Each Additional)	\$3.00 ea	Duct Work Only (per appliance or equipment)	\$20.00 ea
Gas Svstem (First Outlet)	\$15.00 ea	Evaporative Cooler	\$15.00 ea
Grease Trap	\$5.00 ea	Exhaust Hood & Duct (includes Make Up Air)	\$35.00 ea
Hose Bibb	\$5.00 ea	Fan Coil Unit	\$15.00 ea
Interceptor (Oil, Sand, Grease etc.)	\$5.00 ea	Furnace (F.A.U., Floor, etc.)	\$15.00 ea
Kitchen Sink	\$5.00 ea	Gas Outlets (Each Additional)	\$15.00 ea
Laundrv Tubs/Automatic Washer Stand	\$5.00 ea	Gas System (First Outlet)	\$20.00 ea
Lavatorv (Each Additional)	\$5.00 ea	Heat Pump (Includes Duct Work)	\$15.00 ea
Lavatorv (First Fixture)	\$10.00 ea	Heater (Unit, Radiant, etc.)	\$20.00 ea
Pump or Eiectors	\$5.00 ea	Make-up Air System	\$15.00 ea
Receptor (Floor Sink, Cup Sink, etc.)	\$5.00 ea	Moisture Exhaust Duct (Clothes Dryer)	\$5.00 ea
Roof Drain	\$5.00 ea	Refrigerator Compressor 15hp to 50hp	\$30.00 ea
Shower Drain or Watertight Lining	\$5.00 ea	Refrigerator Compressor to 50hp (each additional)	\$30.00 ea
Sink (Other)	\$5.00 ea	Refrigerator Compressor More than 50hp	\$30.00 ea
Solar Water Heater	\$5.00 ea	Refrigerator Condenser Remote	\$15.00 ea
Urinal	\$5.00 ea	Variable Air Volume Box (Includes Duct Work)	\$5.00 ea
Water Closet (each Additional)	\$5.00 ea	Vent Fan (Single Duct)	\$15.00 ea
Water Closet (First Fixture)	\$10.00 ea	Vent System	\$15.00 ea
Water Heater (Each Additional)	\$5.00 ea	Walk in Box	\$15.00 ea
Water Heater (First Heater)	\$10.00 ea	Wall Furnace	\$10.00 ea
Water Pipe Repair, Replacement, or	\$10.00 ea	Other Mechanical Permit Fees	\$75.00 hr
Water Service	\$10.00 ea		
Water Softener	\$5.00 ea		
Other Plumbing and Gas Permit Fees	\$75.00 hr		

Electrical	
New multi-family	
Fee Description	Fee
Issuing Fee (required for each permit)	\$40.00 ea
Single phase service	\$1.00 ea
Three phase service	\$1.50 ea
All other types of construction	
Fee Description	Fee
Issuing Fee (required for each permit)	\$40.00 ea
15 or 20 amp first 10 circuits	\$10.00 ea
15 or 20 amp-next 90 circuits	\$5.00 ea
15 or 20 amp-over 100 circuits	\$2.50 ea
25 to 45 amp circuits	\$10.00 ea
50 to 175 amp circuits	\$15.00 ea
200 amp and larger circuits	\$20.00 ea
Single phase service	\$1.00 ea
Temporary pole	\$50.00 ea
Temporary service	\$50.00 ea
Three phase service	\$1.50 ea
Other Permit Fees	\$75.00 hr

**Water and Sewer Plan Check**

Major	1 to 5 Equivalent Dwelling Units (EDU's)	\$100
	6 or more EDU's	\$200
	Reclaimed Water Plan Check	\$100 each
Minor	Less than 1 EDU	\$50
	Backflow	\$50 each
	Wet Tap and Fire	\$50 each
	Irrigation	\$50 each

**Development Plan Check Fee**

Residential	Commercial/Industrial	Fee
1-4 Dwelling Units	0-5,000 sq. ft.	\$100
5-15 Dwelling Units	5,001-20,000 sq. ft.	\$250
16+ Dwelling Units	21,000+ sq. ft.	\$500
Express 1+ Dwelling Units	Express 1 sq. ft. -Up	\$90 hourly

**Preliminary Plan Review**

Residential	Commercial/Industrial	Fee
1-4 Dwelling Units	0-10,000 sq. ft.	\$350
5-25 Dwelling Units	10,001-30,000 sq. ft.	\$700
26-100 Dwelling Units	30,001-120,000 sq. ft.	\$1,050
101+ Dwelling Units	120,001+ sq. ft.	\$1,750

**Substantial Conformity Review**

Residential	Commercial/Industrial	Fee
1-4 Dwelling Units	0-10,000 sq. ft.	\$250
5-25 Dwelling Units	10,001-30,000 sq. ft.	\$500
26-100 Dwelling Units	30,001-120,000 sq. ft.	\$750
101+ Dwelling Units	120,001+ sq. ft.	\$1,000

**Landscape Plan Check Fee**

	Fee
Gross Site 30,000 sq. ft. or less — No prior special permits	\$400
Gross Site Greater than 30,000 sq. ft. — No prior special permit	\$750
Gross Site 30,000 sq. ft. or less — with prior special permits	\$750
Gross Site Greater than 30,000 sq. ft. — with prior special permit	\$1,050
Landscape Plan Recheck and Field Inspection	\$75 per hour

Fee

Supplemental hourly charge

\$75 per hour

Self-Certification Administrative Fee

\$150 per certification

Appeal Fee

\$100 per appeal

Development Permit Submittal Fee

\$200

Environmental Initial Studies

\$700

Environmental Negative Declarations

\$1,400

Master Plan Residential Building Permit Discount

20% of the Building Permit Fee



<b>Sign Permits — Permanent Signs</b>	<b>Fee</b>
Directional — one	\$240.00
Directional — more than one: \$240 plus \$75 for each additional sign	\$240.00 +
Freeway	\$300.00
Freeway — submitted with a Master Plan	\$270.00
Ground/Roof/Projecting	\$240.00
Master plan check	\$75.00
Recheck fee (minimum 1/2 hour)	\$75/hr
Reinspection fee	\$90.00
Replacement — permit sticker	\$40.00
Rework of any existing ground sign	\$75.00
Sign Application fee (applied toward permit fees at time of issuance)	\$75.00

## **Organizations Notified of the Fee Proposal**

1. American Federation of State, County and Municipal Employees, Local 127, AFL-CIO
2. American Institute of Architects, San Diego Chapter
3. American Society of Civil Engineers
4. American Society of Interior Designers
5. Associated Builders & Contractors, Inc.
6. Association General Contractors of America Inc.- San Diego Chapter
7. Building Industry Association of San Diego County
8. Building Owners and Managers Association
9. California Restaurant Association, San Diego Chapter
10. Consulting Engineers and Land Surveyors of California
11. Construction Industry Federation
12. Construction Specification Institute
13. Contractors State License Board
14. Greater San Diego Chamber of Commerce
15. International Conference of Building Officials, San Diego Area Chapter
16. International Brotherhood of Electrical Workers- Local 569
17. Masonry Contractors Association of San Diego County, Inc.
18. National Electric Contractors Association, San Diego Chapter
19. National Spa and Pool Institute
20. Plumbing-Heating-Cooling Contractors Association of San Diego
21. Plumbing-Pipefitting & Refrigeration Local Union 230
22. San Diego Roofing Contractors Association
23. San Diego Apartment Association
24. San Diego Association of Geologists
25. San Diego Board of Realtors
26. San Diego Council of Engineering Laboratories
27. San Diego County Rock Producers Association
28. San Diego Lumber & Wood Products Association
29. San Diego Municipal Employees' Association
30. Sheet Metal & Air Conditioning Contractors Association
31. Structural Engineers Association of San Diego

## PLANNING AND DEVELOPMENT REVIEW

## FISCAL YEAR 2001 SERVICE LEVEL REDUCTIONS OPTION

Division	# of Positions	Expense	Program	Service Level Impact
Building & Dev Review	2.00	\$171,890	Structural Plan Check	Residential plan checks completed within 8 days would be reduced from 87% to approximately 67%. Commercial plan checks completed within 30 days would be reduced from 87% to approximately 67%.
Building & Dev Review	0.00	\$150,000		Would reduce total funding for this program to \$30,000. The ability to conduct plan checks by alternative means during periods of high plan check demand would be reduced.
Building & Dev Review	1.00	\$86,482	Express Plan Check	An increase in the number of days required for express plan check service. This would result in an increase of 5 days, from 15 days to 20 days in the average time for commercial and multifamily structural plan check
Building & Dev Review	1.00	\$75,412	Express Plan Check	
Building & Dev Review	1.00	\$64,969	Express Plan Check	Also single family home plan check would increase 2 days. from an average of 3 to 5 days.
Info & Appl. Svcs	1.00	\$75,551	Technical Writing	Reduction "in-house" specialized technical training capability requiring staff to attend longer training offsite reducing staffing available to meet customer demand.
Info & Appl. Svcs	2.00	\$122,914	Dev. Permit Info. Telephone	Increase in the number of customer calls with a "hold" time over 10 minutes from 10% to 50%.
Info & Appl. Svcs	1.00	\$43,160	Dev. Permit Info. Telephone	
Info & Appl. Svcs	1.00	\$70,516	Projects w/Plans	Elimination of same day walk-in service within 30 minutes for these services to services scheduled by appointment two days in advance.
Info & Appl. Svcs	1.00	\$61,457	Quick Services	
Info & Appl. Svcs	1.00	\$65,169	Dev. Permit & Info. Counter	
Info & Appl. Svcs	1.00	\$61,475	Dev. Permit & Info. Counter	
Info & Appl. Svcs	2.00	\$85,920	Records	
Inspection	3.00	\$189,828		Next day single family home inspections would be reduced from 90% to approximately 80%. In addition, plan check and permit issuance for trailers would no longer be provided at the Inspection Office in Kearny Mesa
Inspection	1.00	\$75,054		
Inspection	1.00	\$63,276		Next day multifamily home and commercial inspections would be reduced from 96% to approximately 90%.
Inspection	1.00	\$63,276		Next day commercial mechanical and electrical inspections would be reduced from 90% to approximately 80%.
Inspection	1.00	\$63,277		
Inspection	1.00	\$75,352		All engineering services will be eliminated at the Inspection Office in Kearny Mesa. Customers with plan changes would be required to return the Development Review Center in downtown San Diego for these services.
Inspection	1.00	\$48,271		Eliminates ability to train individuals to potentially fill future inspector position vacancies

Division	# Of Positions	Expense	Program	Service Level Impact
Project Mgt.	3.00	\$197,594		Would eliminate project processing and coordination for 300-400 ministerial projects per year. This would include elimination of project management services including preliminary review, conflict resolution, coordination, and project and schedule tracking. Project schedules for these submitted ministerial permits (building and engineering permits) would increase by 10-15%.
Project Mgt.	2.00	\$150,497		This would eliminate project management services for 150-200 complex ministerial projects per year. This would include elimination of services including preliminary review, conflict resolution, meeting coordination, and project and schedule tracking. Project schedules for these submitted ministerial permits (building and engineering permits) would increase by 10-15%. In addition, general project management support to the public information counter would be eliminated.
Project Mgt.	1.00	\$64,000		The Land Development Code Quarterly Update program would not be able to meet the planned update schedule. Updates would be 3 times per year instead of 4. Public training sessions on the revised code would also be reduced by 1/3.
Land Dev. Review	1.00	\$70,000		Reduction of 80% of Development Review Plan Check capability increasing review time from an average of 15 days to 36 days.
Land Dev. Review	2.00	\$128,000		
Land Dev. Review	1.00	\$85,945		
Support	0.00	\$250,000	Data Processing	Reduced Geographic Information System (GIS) new mapping that will reduce development review and permitting process times while maintaining review quality. Most of remaining effort will be maintenance of existing GIS data.
Support	0.00	\$300,000	Data Processing	Reduction of computer programming and software from to enhance development review and permitting. Reduced funding from \$550,000 to \$250,000.
Support	0.00	\$450,000	Data Processing	Reduction in the purchase of computer technology hardware to enhance development review and permitting capability. Reduced funding from \$850,000 to \$500,000.
Support	1.00	\$63,571	Finance	14% reduction in analytical support to divisions providing direct services to customers. Reduction in available expertise to divisions to provide support in areas such as performance metrics, budget and cost recoverability.
Total	35.00	\$3,472,856		

Note: The department will manage the Enterprise Fund through staff attrition and non-personnel expense reductions in the areas listed above to obtain \$2.1 million in reductions.